



March 7, 2022

Representative Joseph J. Solomon, Jr.  
Chair, House Committee on Corporations  
Rhode Island State House  
Providence, RI 02903

**Re: National Grid's Comments to Proposed Bill H7530**

Dear Chair Solomon and Members of the House Committee on Corporations,

On behalf of National Grid,<sup>1</sup> I write to submit the Company's comments regarding House Bill No. 7530 ("H-7530"), which proposes to amend R.I. Gen. Laws Ch. 39-2 entitled "Duties of Utilities and Carriers" by establishing a tiered percentage of income payment program (see proposed § 39-2-1.5). The proposal would also redirect funds collected through the Low Income Home Energy Assistance Program (LIHEAP) to those who are enrolled in the proposed "percentage of income payment rate" (see proposed § 39-1-27.12 (e)).

National Grid recognizes the challenges that many of its customers face to pay their energy bills and offers assistance to customers through Company programs like the residential discount rate<sup>2</sup> and arrearage management program<sup>3</sup> as well as connects customers to other federal, state, or community run programs that can offer direct bill relief.<sup>4</sup> The suite of customer programs as well as the other assistance opportunities that are available are intended to increase affordability associated with energy spend for customers who need it most.

As we understand it, the proposed legislation is intended to offer additional support to customers who are at or below 150% of the federal poverty level and are eligible for LIHEAP or are enrolled in Medicaid. The Company believes it is important to consider the incremental costs associated with any new programs to ensure that the program design does not result in overly burdensome administration costs, as has been seen in prior efforts to administer Percentage of Income Payment Plan ("PIPP") types of programs. If the legislature believes incremental support is needed for this subset of customers above and beyond what is already available, we recommend that the program design prescribed in legislation be sufficiently flexible such that the Rhode Island Public Utilities Commission ("Commission") can ensure that there is a balance in the amount of support to be provided and incremental cost being passed along to all of the Company's customers. We also note that it is unclear if the legislation intends to use the customer funded LIHEAP enhancements surcharge to help partially fund this program or merely limit the eligibility of those receiving these grants to a smaller customer subset.

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid ("National Grid" or the "Company").

<sup>2</sup> Qualified customers are eligible for either a 25% or 30% discount on their gas and/or electric bill.

<sup>3</sup> Customers who are eligible for LIHEAP and are enrolled on the Company's discount rate are eligible for forgiveness up to \$1,500 per year on their outstanding arrearages (if the account balance is at least \$300 and is more than 60 days past due).

<sup>4</sup> These programs include LIHEAP, Rhode Island Good Neighbor Energy Fund, and RentReliefRI.

Additionally, the proposed bill contains specific implementation milestones such as the timeframe for setting tiers, discount rates, and enrolling eligible customers. The successful implementation of these provisions will be dependent upon the ability of the billing and other systems in place to incorporate those changes within the timeframes established by the legislation. Considering the potential transfer of ownership of the Company from National Grid to PPL, it would be beneficial for legislators to gain a more thorough understanding of the capabilities of the Company's billing system, how it will be administered in the future to know if these timeframes would be achievable or will need to be modified, and what impact these changes would have on all customers.

Given the current suite of programs available to customers today, the uncertainties associated with how the new program would be implemented and the resultant impacts to current programs, we believe the State would benefit from further study of the provisions in this bill before advancing them through the legislative process.

National Grid respectfully requests that you consider these comments when reviewing H-7530. Thank you for your attention to this matter.

Respectfully,

A handwritten signature in black ink, appearing to read "B Schuster", with a long horizontal line extending from the end of the signature.

Brian Schuster

Director, Community and Customer Management

National Grid

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